

## Message Text

UNCLASSIFIED

PAGE 01 ABIDJA 01618 01 OF 02 170850Z  
ACTION EB-08

INFO OCT-01 AF-10 ISO-00 L-03 IO-14 NSC-05 AID-05  
CIAE-00 COME-00 FRB-01 INR-10 NSAE-00 USIA-15  
XMB-04 OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 /090 W  
-----062528 170854Z /11

R 161538Z FEB 78  
FM AMEMBASSY ABIDJAN  
TO DEPT OF TREASURY WASHDC  
AMEMBASSY NOUAKCHOTT  
INFO SECSTATE WASHDC 7432

UNCLAS SECTION 1 OF 2 ABIDJAN 1618

DEPT PASS NAC AGENCIES

E.O. 11652: N/A  
TAGS: AFDF, EAID, EFIN  
SUBJECT: AFRICAN DEVELOPMENT FUND LOAN FOR  
MAURITANIA BOREHOLES PROJECT

SUMMARY: AFRICAN DEVELOPMENT FUND MANAGEMENT PROPOSES  
3.3 MILLION FUND UNIT OF ACCOUNT (FUA EQUAL TO US \$1.11)  
LOAN TO THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF  
MAURITANIA TO FINANCE A PORTION OF PROJECT DESIGNED  
TO CARRY OUT A PROGRAM OF EQUIPPING 36 EXISTING BORE-  
HOLES LOCATED PRINCIPALLY IN THE SOUTH-WESTERN PART OF  
THE COUNTRY. TOTAL COST OF PROJECT ESTIMATED AT 5/2  
MILLION FUA TO BE CO-FINANCED WITH UNITED NATIONS  
SAHELIAN OFFICE (UNSO) AND GOM. END SUMMARY.

1. AFDF DOCUMENT BD/78/14 AND ATTACHMENTS DESCRIBING  
THE LOAN POUCHED TO NAC AGENCIES FEB 7, 1978. BOARD  
CONSIDERATION SCHEDULED FOR FEB 28. REQUEST AMEMBASSY  
NOUAKCHOTT CABLE ANY VIEWS ON PROJECT TO ASSIST  
NATIONAL ADVISORY COUNCIL DELIBERATIONS ON U.S. BOARD  
POSITION.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ABIDJA 01618 01 OF 02 170850Z

2. AFDF MANAGEMENT PROPOSES 3.3 MILLION FUA LOAN  
TO GOVERNMENT OF MAURITANIA TO FINANCE 63 PERCENT  
OF PROJECT DESIGNED TO CARRY OUT A FIVE YEAR PRO-  
GRAM OF EQUIPPING 36 EXISTING BOREHOLES TO PROVIDE  
WATER FOR HUMAN AND ANIMAL CONSUMPTION. PROJECT  
COMPONENTS INCLUDE: A) REINFORCEMENT OF THE EXECUT-

ING AGENCY THROUGH PROVISION OF TWO MAN YEARS OF EXPATRIATE STAFF INCLUDING A MECHANICAL ENGINEER AND AN ACCOUNTS AND MANAGEMENT EXPERT. LOCALLY RECRUITED STAFF TO BE PROVIDED UNDER THE PROJECT INCLUDE FOUR MECHANICS, THREE ELECTRICIANS, ONE ACCOUNTS CLERK, A CHIEF MECHANIC, AND SEVERAL MACHINE OPERATORS; B) PROCUREMENT OF BOREHOLE EQUIPMENT INCLUDING 36 PUMPS, 12 GENERATORS,

24 DIESEL ENGINES, AND 36 BOREHOLE COVERS;  
C) CONSTRUCTION OF ONE CENTRAL WORKSHOP, THREE REGIONAL WORKSHOPS, AND INSTALLATION OF 36 RECEPTION RESERVOIRS OF EIGHT CUBIC METER CAPACITY, 180 DRINKING TROUGHS AND 108 STAND-PIPES; D) PROVISION OF ROLLING STOCK TO INCLUDE THREE TRUCKS AND FIVE ALL WEATHER VEHICLES;  
E) THERE IS ALSO A PROVISION FOR FINANCING A RESERVE STOCK OF PUMPS, TANKS FOR STORAGE AND TRANSPORT OF GAS, OIL, AND LUBRICANTS, STOCK OF SPARE PARTS, AS WELL AS 36 TENTS AND 5 TRANSMITTER-RECEIVERS. PROJECT COST BREAKDOWN IS AS FOLLOWS: BOREHOLES EQUIPMENT, 932 THOUSAND FUA; BUILDINGS, 401 THOUSAND FUA; CENTRAL WORKSHOP EQUIPMENT, 284 THOUSAND FUA; ROLLING STOCK, 275 THOUSAND FUA; SUNDRY SUPPLIES, 22 THOUSAND FUA; OPERATING COSTS OF STATIONS AND VEHICLES, 1.27  
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ABIDJA 01618 01 OF 02 170850Z

MILLION FUA; ADMINISTRATION COSTS, 80 THOUSAND FUA. COST ESTIMATES INCLUDE TEN PERCENT ALLOWANCE FOR PHYSICAL CONTINGENCIES AND APPROXIMATELY TEN PERCENT ALLOWANCE FOR PRICE ESCALATION. PROJECT COSTS INCLUDE FIRST FIVE YEARS OPERATING EXPENSES. UNSO PARTICIPATION IS IN FORM OF 1.1 MILLION FUA FOREIGN EXCHANGE GRANT WHICH WILL BE USED TO FINANCE COST OF FUEL AND LUBRICANTS AND COST OF TECHNICAL ASSISTANCE. GOM TO MEET 16 PERCENT OF PROJECT COSTS EQUAL TO 840 THOUSAND FUA IN LOCAL CURRENCY. AFDF LOAN TO COVER 63 PERCENT OF PROJECT COSTS; 470 THOUSAND FUA IN LOCAL COSTS, 2.79 MILLION FUA IN FOREX COSTS. CONDITIONS OF AFDF LOAN INCLUDE:  
A) GOM PARTICIPATION IN PROJECT TO BE PROVIDED FOR IN ANNUAL BUDGET; B) GOM TO ASSUME ANY COST OVERRUNS; C) FUNDS PROVIDED FOR PROJECT WILL BE ADMINISTERED FROM A SEPARATE FINANCIAL ACCOUNT IN LOCAL FINANCIAL INSTITUTION; D) GOM WILL INSURE ADEQUATE WORKING CAPITAL AFTER PROJECT FUNDS HAVE BEEN EXHAUSTED. PROCUREMENT OF EQUIPMENT, ROLLING STOCK, AND SPARE PARTS TO BE THROUGH INTERNATIONAL COMPETITIVE BID PROCEDURES. CONSTRUCTION AND

SUPPLIES, INCLUDING FUEL TO BE SUBJECT TO LOCAL  
TENDERING. PROPOSED TERMS OF AFDF LOAN, 50 YEARS  
AMORTIZATION, INCLUDING TEN YEARS GRACE, 0.75  
PERCENT SERVICE CHARGE. GOM TO BE BORROWER,  
MINISTRY OF WATER RESOURCES TO BE EXECUTING AGENCY.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 ABIDJA 01618 02 OF 02 170838Z  
ACTION EB-08

INFO OCT-01 AF-10 ISO-00 AID-05 CIAE-00 COME-00 FRB-01  
INR-10 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02  
LAB-04 SIL-01 OMB-01 L-03 IO-14 NSC-05 /090 W  
-----062395 170854Z /11

R 161538Z FEB 78  
FM AMEMBASSY ABIDJAN  
TO DEPT OF TREASURY WASHDC  
AMEMBASSY NOUAKCHOTT  
INFO SECSTATE WASHDC 7433

UNCLAS SECTION 2 OF 2 ABIDJAN 1618

DEPT PASS NAC AGENCIES

3. MAURITANIA'S POPULATION IS ESTIMATED AT 1.3  
MILLION INHABITANTS, WITH A POPULATION DENSITY OF  
1.23 PER SQ. KM. TRADITIONALLY, 80 PERCENT OF  
THE POPULATION HAS CONSISTED OF NOMADS AND SEDEN-  
TARY FARMERS, BUT THERE ARE INDICATIONS THAT THE  
POPULATION IS BEGINNING TO MIGRATE TO THE POPULA-  
TION CENTERS. THE PRINCIPAL RURAL OCCUPATIONS  
ARE AGRICULTURE AND LIVESTOCK, BOTH OF WHICH  
SUFFERED FROM THE RECENT DROUGHT. IT IS ESTIMATED  
THAT BETWEEN 1971 AND 1973 APPROXIMATELY 45 PERCENT  
OF CATTLE AND 17 PERCENT OF SHEEP AND GOATS PERISHED.  
LOSSES WERE PARTICULARLY SEVERE IN THE SOUTHERN AND  
CENTRAL AREAS, RANGING AS HIGH AS 70 PERCENT. IF  
CLIMATIC CONDITIONS REMAIN NORMAL, IT WILL TAKE  
ANOTHER TEN YEARS TO RECONSTITUTE THE LIVESTOCK.  
THE GOVERNMENT HAS EMBARKED ON A LARGE NATIONAL  
WATER PROGRAM SINCE THE DROUGHT. THE 36 BOREHOLES  
PROJECT IS PART OF A WIDER PROGRAM INVOLVING 100  
BOREHOLES. THE IMMEDIATE OBJECTIVE IS TO MEET THE  
WATER REQUIREMENTS OF SOME 45 THOUSAND INHABITANTS  
AND 24 THOUSAND HEAD OF LIVESTOCK, MAINLY IN THE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ABIDJA 01618 02 OF 02 170838Z

SOUTH-WESTERN DESERT AREAS OF THE COUNTRY.

4. THE MAIN PURPOSE OF FITTING OUT THE 36 BOREHOLES IS TO MEET THE WATER REQUIREMENTS OF THE RURAL PEOPLE WHO ARE IN THE PROCESS OF BECOMING SEDEN-

TARY, AND ALSO TO INITIATE IRRIGATED AGRICULTURE, ESPECIALLY MARKET GARDENING AND POSSIBLE FODDER CULTIVATION. THE PROJECT AREA INCLUDES AN IMPORTANT CATTLE ROUTE. IT IS PLANNED TO DEVELOPE AN AREA OF FIVE TO TEN HA AROUND EACH WATER POINT, WHICH WILL REQUIRE 500 TO 1,000 CUBIC METERS OF WATER PER DAY FOR IRRIGATION. FACILITIES AROUND EACH BOREHOLE INCLUDE A WATER TANK AND SEVERAL WATERING BASINS. THE WATER TANK WILL SUPPLY A NUMBER OF WATERING BASINS, DEPENDING UPON THE SIZE OF THE POPULATION AROUND THE BOREHOLE. TROUGHS AND STAND-PIPES WILL BE SUPPLIED SEPARATELY. THE APPRIASAL REPORT INDICATES THAT SINCE THE SIZE OF THE NOMAD POPULATION TO BE SERVED AT EACH WATER POINT IS LARGE, BUT IMPOSSIBLE TO FORECAST ACCURATELY, IT HAS BEEN DECIDED TO EQUIP THE BOREHOLES TO PROVIDE MAXIMUM PRODUCTIVITY.

5. THE PROJECT WILL OBVIOUSLY IMPROVE THE LIVING CONDITIONS OF THE PEOPLE IN THE AREAS SERVED. THIS PROJECT FITS WITHIN THE CONTEXT OF THE GOVERNMENT'S DEVELOPMENT PLAN WHICH CONCENTRATES ON AN INTEGRATED PROGRAM EMPHASIZING WATER RESOURCES, LIVESTOCK DEVELOPMENT, AGRICULTURE, AND HOUSING, AND IS AIMED AT EXTENDING THE SIZE OF IRRIGATED FARMS. THE PROJECT IS EXPECTED TO HELP CHECK THE TREND TOWARD URBAN MIGRATION AND

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ABIDJA 01618 02 OF 02 170838Z

ALSO HAVE A DIRECT IMPACT ON THE HEALTH OF THE PEOPLE SERVED, THROUGH PROVISION OF SANITARY DRINKING WATER. THE PROJECT WILL SERVE A POPULATION OF 45 THOUSAND AND 24 THOUSAND HEAD OF LIVESTOCK. EMPLOYMENT GENERATED UNDER THE PROJECT TOTALS 69 JOBS.

STEARNS

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEVELOPMENT LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978ABIDJA01618  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780073-0617  
**Format:** TEL  
**From:** ABIDJAN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780250/aaaabppv.tel  
**Line Count:** 222  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 3fcd2d8-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 10 feb 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3581584  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AFRICAN DEVELOPMENT FUND LOAN FOR MAURITANIA BOREHOLES PROJECT SUMMARY: AFRICAN DEVELOPMENT FUND MANAGEMENT PROPO  
**TAGS:** EAID, EFIN, AFDF  
**To:** TRSY NOUAKCHOTT  
**Type:** TE  
**vdkgvkey:** odbc://SAS/SAS.dbo.SAS\_Docs/3fcd2d8-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014